

**House File 632 - Introduced**

HOUSE FILE 632

BY SANDS

**A BILL FOR**

1 An Act providing a sales tax exemption for substance abuse  
2 treatment programs.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

H.F. 632

1 Section 1. Section 423.3, Code 2011, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 96. The sales price of a substance abuse  
4 treatment program. For purposes of this subsection, "*substance*  
5 *abuse*" means the same as defined in section 125.2.

6 EXPLANATION

7 This bill provides a sales tax exemption for the sales price  
8 of a substance abuse treatment program.

9 By operation of Code section 423.6, an item exempt from the  
10 imposition of the sales tax is also exempt from the use tax  
11 imposed in Code section 423.5.